Federal Communications Commission 45 L St., N.E. Washington, D.C. 20554

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DA 22-441

Released: April 20, 2022

## DOMESTIC SECTION 214 APPLICATION FILED FOR THE ACQUISITION OF CERTAIN ASSETS OF CONSOLIDATED COMMUNICATIONS ENTERPRISE SERVICES INC. BY BOULEVARD DIGITAL LLC

## NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 22-141

Comments Due: May 4, 2022

Reply Comment Due: May 11, 2022

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Consolidated Communications Holdings, Inc. (Consolidated), Consolidated Communications Enterprise Services Inc. (CCES), and Boulevard Digital LLC (Boulevard Digital) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting approval for the acquisition of certain customers and assets of CCES in Kansas and Missouri within the Kansas City metropolitan area and surrounding counties and municipalities (the Kansas City Market) by Boulevard Digital.<sup>1</sup>

CCES, a Delaware corporation, is ultimately controlled by Consolidated, which, through its various operating subsidiaries, provides telecommunications services to residential and business customers across a 23-state service area.<sup>2</sup> Applicants state that CCES provides competitive telecommunications services to approximately 19,000 consumer voice subscribers, 13,000 consumer broadband subscribers, and 1,900 commercial subscribers, utilizing approximately 1,230 fiber route miles located in the Kansas City Market (the Kansas City Business).<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Application of Boulevard Digital LLC, Consolidated Communications Holdings, Inc., and Consolidated Communications Enterprise Services, Inc. for Authority to Partially Assign Domestic Section 214 Authorizations and its Kansas City Customer Base to Boulevard Digital LLC, WC Docket No. 22-141 (filed Mar. 29, 2022) (Application). Applicants also filed an application for the assignment of customers and other assets associated with the provision of international services, ITC-ASG-20220329-00045. On April 14, 2022, Applicants filed a supplement to their domestic section 214 application. Letter from Peter M. Connolly, Counsel to Boulevard Digital LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 22-141 (filed Apr. 14, 2022) (Supplement). Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

<sup>&</sup>lt;sup>2</sup> Application at 6.

<sup>&</sup>lt;sup>3</sup> *Id.* The Kansas City Business serves the following municipalities in the Kansas City area: Fairway, Kansas City, Leawood, Lenexa, Merriam, Mission Hills, Mission Woods, Olathe, Overland Park, Prairie Village,

Boulevard Digital, a Delaware limited liability company, was formed for the specific purpose of acquiring the assets from Consolidated and, following the consummation of the proposed transaction, to conduct the Kansas City Business in the Kansas City Market.<sup>4</sup> Boulevard Digital is owned by various limited partnerships managed by and controlled by Alinda Holdings, LLC (Alinda Holdings), a Delaware limited liability company and investment entity.<sup>5</sup> Alinda Holdings is held by Alinda Holdings Acquisition LLC (Alinda Acquisition) (80%), a Delaware limited liability company, and Samuel Coxe (20%), a United States citizen.<sup>6</sup> Alinda Acquisition, in turn, is held by James Metcalfe (50.5%), United States citizen, and Andrew Bishop (49.5%), a citizen of the United Kingdom.<sup>7</sup> Applicants state that Alinda Capital Partners, the limited partners that indirectly hold equity of Boulevard Digital, Mr. Metcalfe, Mr. Bishop, and Mr. Coxe do not hold a 10% or greater interest in any provider of domestic telecommunications services.<sup>8</sup>

Pursuant to terms of the proposed transaction, Boulevard Digital will acquire certain assets (including customer contracts and customer relationships) of CCES "used in or necessary for" the Kansas City Business in the Kansas City Market.<sup>9</sup> Applicants assert that a grant of the Application would serve the public interest, convenience, and necessity.<sup>10</sup> Applicants state that "Boulevard

Roeland Park, Shawnee, Westwood, and Westwood Hills. *Id.* In Missouri, the KC Business serves Kansas City, Lee's Summit, and North Kansas City. *Id.* at 7. Applicants state that the Kansas City Business provides consumer services such as high-speed Internet, cable television, internet security, VoIP, and Wi-Fi over a network that combines fiber to the home and hybrid fiber coax (HFC) networks in the southwest region of the Kansas City metro area and also provides commercial customers with Ethernet, SD-WAN, and voice services provisioned over VoIP and TDM as well as serving some E-rate customers in Kansas and Missouri. *Id.* at 6.

<sup>&</sup>lt;sup>4</sup> Application at 2. Applicants provide post-closing ownership charts and ownership information of entities and individuals holding a 10% or greater interest in Boulevard Digital. *See* Application at Exh. A (Ownership Chart of Boulevard Digital LLC) and Exh. B (Post-Closing Ownership of Licensees).

<sup>&</sup>lt;sup>5</sup> Application at 3. Boulevard Digital is indirectly owned by Boulevard Digital Partners Interim Blocker LLC (Boulevard Interim Blocker) (57.68%) and Boulevard Digital Co-Investment A LP (Boulevard Co-Investment) (41.18%), both Delaware entities that are ultimately controlled by Alinda Holdings. Id. at 3 and Exh. B at 1-2. Boulevard Interim Blocker is majority owned (99.80%) by Boulevard Digital Partners Blocker, Inc., a Delaware corporation, for which the sole voting shareholder is Alinda F4 GP LLC (Alinda F4 GP), a Delaware limited liability company, and the sole equity shareholder is Alinda Infrastructure Fund IV (Euro) SCSp (Alinda SCSp), a Luxembourg entity. Application at Exh. B at 3. The general partner of Alinda SCSp is Alinda Infrastructure Fund IV (Euro) GP S.a.r.l. (Alinda GP). Id. at Exh. B at 3. Boulevard Co-Investment is held by Lothian Pension Fund (50%), a Scottish pension fund, and Boulevard Digital Partners Co-Investment Blocker, Inc. (30%), a Delaware corporation. Id. at Exh. B at 2. The general partner for Boulevard Co-Investment is Boulevard Digital Co-Investment GP LLC (Boulevard Digital GP), a Delaware limited liability company. Id. Applicants state that certain Scottish pension funds and Netherland pension funds hold limited partnerships interests in Boulevard Co-Investment while certain Dutch pension funds hold limited partnership interests in Alinda SCSp. Id. at 4-5 and Exh. B. at 2. Applicants state that these limited partners in which passive investors have committed capital are controlled by general partners (Alinda F4 GP, Alinda GP, or Boulevard Digital GP), each of which are wholly-owned by Alinda Holdings. Id. at 5; see also Application at Exh. A at 1; Exh. B at 4.

<sup>&</sup>lt;sup>6</sup> Application at Exh. B at 4-5.

<sup>&</sup>lt;sup>7</sup> *Id.* 4-5. Applicants state that the individual limited partnerships that indirectly own the equity of Boulevard Digital are managed by Alinda Capital Partners through an investment committee comprised of six individuals, four of whom are United States citizens, one of whom is a citizen of the United Kingdom, and one of whom is a citizen of the Slovak Republic. Supplement at 1.

<sup>&</sup>lt;sup>8</sup> Application at 5; Supplement at 1.

<sup>&</sup>lt;sup>9</sup> Application at 7.

Digital is well-qualified to replace CCES as the service provider in the Kansas City Market and will complement the experienced management team that is expected to transition to Boulevard Digital" and that "Boulevard Digital will continue to provide service to these customers with no immediate change in their rates or terms and conditions of service."

Applicants do not request streamlined treatment for the domestic section 214 application pursuant to section 63.03 of the Commission's rules.<sup>12</sup>

<u>Referral to Executive Branch Agencies</u>. Through this Public Notice, pursuant to Commission practice, the Application and the associated international application, ITC-ASG-20220329-00045 are being referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy, or trade policy concerns related to the foreign ownership of the Applicants.<sup>13</sup>

Domestic Section 214 Application Filed for the Acquisition of Certain Assets of Consolidated Communications Enterprise Services, Inc. by Boulevard Digital LLC, WC Docket No. 22-141 (filed Mar. 29, 2022).

## **GENERAL INFORMATION**

The application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies.

Interested parties may file comments on or before May 4, 2022, and reply comments on or before May 11, 2022. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by paper.

- Electronic Filers: Comments may be filed electronically by accessing ECFS at http://apps.fcc.gov/ecfs/.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each
  filing. If more than one docket or rulemaking number appears in the caption of this
  proceeding, filers must submit two additional copies for each additional docket or
  rulemaking number.
  - Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail.<sup>14</sup> All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

<sup>&</sup>lt;sup>10</sup> *Id.* at 13.

<sup>&</sup>lt;sup>11</sup> *Id*.

<sup>12 47</sup> C.F.R. § 63.03.

<sup>&</sup>lt;sup>13</sup> 47 CFR § 1.40001. See Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927 (2020), Erratum (Appendix B — Final Rules), DA 20-1404 (OMD/IB rel. Nov. 27, 2020). See also Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities, IB Docket Nos. 97-142 and 95-22, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-19, paras. 61-63 (1997) (Foreign Participation Order), recon. denied, 15 FCC Rcd 18158 (2000).

<sup>&</sup>lt;sup>14</sup> Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of

 Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington, DC 20554.

People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:gregory.kwan@fcc.gov">gregory.kwan@fcc.gov</a>;
- 2) David Krech or Sumita Mukhoty, Telecommunications and Analysis Division, International Bureau, david.krech@fcc.gov; sumita.mukhoty@fcc.gov; and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov

The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.<sup>15</sup> A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Gregory Kwan at (202) 418-1191.

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individuals, and to mitigate the transmission of COVID-19. See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy, Public Notice, 35 FCC Rcd 2788 (OS 2020).

<sup>&</sup>lt;sup>15</sup> See 47 CFR § 1.45(c).